

# IPG's Global Contributions Strategy & Policy

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Interpublic Group (IPG) is committed to strengthening the communities where we live and work.

Each year, IPG and its companies contribute financially to global, national and local organizations that support a wide range of social causes, such as racial justice, environmental protection, education, the arts, health and food security. We also provide *pro bono* services and partner with not-for-profit organizations and advocacy groups on issues that are important to us and our stakeholders. In every corner of the globe, people from IPG and our companies lend their time and talents to causes that matter to them and to their communities.

As part of our commitment to strengthening communities around the world, IPG promotes opportunities to engage with not-for-profit or non-governmental organizations. Each IPG company is encouraged to implement these programs using their specific skills and expertise, and may maintain their own, more comprehensive policies and procedures in conjunction with this Policy.

The purpose of this Policy is to ensure that our charitable donations reflect IPG's values and business strategy and that donations are made in compliance with applicable laws.

This Global Contributions Strategy & Policy applies to all IPG offices and companies (domestic and international), including all Company directors, officers and employees, and covers financial and in-kind contributions. This Policy must be read in conjunction with other applicable Company policies and procedures, including IPG's Code of Conduct.

## **Governance & Oversight**

The IPG Board of Directors reviews and considers the implications of social responsibility issues that affect the Company. More specifically, the Board's Corporate Governance and Social Responsibility Committee oversees issues of global corporate citizenship and social responsibility, including charitable and political matters. The Committee makes recommendations to the full Board regarding the Company's policies and practices on these issues.

Oversight of the Global Contributions Strategy & Policy is the responsibility of IPG's General Counsel. Approval requests and questions regarding this Policy are discussed below under the heading "Due Diligence and Approval Process."

### **Priorities**

In addition to *pro bono* campaigns conducted by IPG companies around the world, IPG contributes financially and through in-kind donations, focusing on issues such as racial justice, environmental protection, education, the arts, health and food security.

IPG strategically engages in initiatives that support the UN Sustainable Development Goals (SDGs), adopted by all United Nations Member States with the objective of advancing environmental protection, social protection and economic growth across the world while leaving no one behind. The specific SDGs we support include, but are not limited to:

- SDG 2: Zero Hunger
- SDG 4: Quality Education
- SDG 5: Gender Equality
- SDG 6: Clean Water and Sanitation
- SDG 10: Reduced Inequalities
- SDG 16: Peace, Justice and Strong Institutions

Our work to support these SDGs and the broader 2030 Agenda for Sustainable Development is discussed in more detail in our annual ESG Reports available here.

IPG companies are encouraged to ensure that all their charitable contributions are aligned with at least one of the SDGs.

# SUSTAINABLE GALS DEVELOPMENT



### **Exclusions**

To ensure that all contributions are consistent with IPG's values, legal obligations and good governance practices, contributions may **not** be made to the following organizations or under the following circumstances:

- Organizations that Discriminate: Charitable
  contributions may not be made to any
  organization that discriminates on the basis of any
  status protected by law or Company policy, such
  as race, color, gender, age, national origin, religion,
  creed, sexual orientation, gender identity, marital
  status, citizenship, disability or veteran status.
- Religious Organizations: Contributions may not be made to religious organizations (such as a church, synagogue, mosque, mission, etc.) or religious training programs (such as seminaries, yeshivas or madrassas) if the contribution is made for religious purposes or to promote religion.
   However, a program conducted by a religious organization that benefits the broader community without regard to a person's religious beliefs (e.g., a food pantry or homeless shelter) may be considered for approval.
- Bribery: Contributions may not be made for the purpose of paying a bribe or improperly influencing any individual. If you feel that a client or other third party is pressuring you to make a donation which you believe is improper, or if you are asked by a client to make a donation to a charity of their choice, especially if this request is made as part of a pitch process, please consult IPG Legal at LegalCompliance@interpublic.com.
- Political and Lobbying Activity: Requests for contributions for political and lobbying activity will not be approved. IPG does not have a companysponsored Political Action Committee (PAC).
   Employees are welcome to participate in political activity in a personal capacity and donate to political causes using their personal funds and in their own names.

IPG's <u>Code of Conduct</u> and <u>Anti-Corruption Policy</u> (SP&P 309) provide that IPG and its companies may not contribute any company funds, facilities or services to any candidate for public office, any political party or official thereof, any political action committee or any political initiative, referendum or other form of political campaign without prior approval from IPG's General Counsel (other than lobbying activities that are conducted by an IPG company whose regular business activities consists of such services or activities).

These restrictions apply not only to direct contributions made to individual candidates, political committees or political parties, but also to indirect contributions that would ultimately be used to support individual candidates, political committees or political parties, such as tickets to a fundraising dinner or similar event.

Lobbying activities on behalf of IPG or any client require approval from the IPG Legal Department, except where lobbying is part of the applicable office's regular business activities.

# **Conflicts of Interest**

IPG employees are encouraged to be active citizens of their communities by serving on boards of not-for-profit or community organizations. This does not require prior approval, as long as it does not interfere with the employee's ability to do their job. However, an employee who requests a contribution to an organization that the employee volunteers for or is otherwise affiliated with must disclose that relationship as part of the request. IPG's Code of Conduct discusses other situations that may involve a real or perceived conflict of interest.

# Due Diligence & Approval Process

#### 1. Charitable Contributions Approval Process

Contributions may be given only to legitimate charitable organizations and must not be given for any improper purpose, i.e. with the intention of improperly influencing, or providing an improper benefit to, another party.

Manager Approval: To that end, contributions require prior approval of a Managing Director, Vice President or more senior executive who does not serve on the Board of Directors or similar body of the charity or not-for-profit organization and otherwise does not have a conflict of interest relating to the charity or not-for-profit organization.

To decide whether a proposed contribution is consistent with this Policy, the approver must be fully informed about the details of the donation, such as the identity of the recipient, the requesting party's relationship with the recipient and the purpose for the donation. The approver will use this information to confirm that the recipient is reputable and appropriate, and that the recipient's mission and the purpose of the contribution are aligned with at least one of the UN Sustainable Development Goals, as described above.

**Additional Approval:** Additional approvals are required for contributions (of funds or other items of value) if the aggregate contributions made to a single organization during a calendar year will equal

- \$400 (or local currency equivalent) or more, if either the IPG company or the charitable organization is based outside the United States, or
- \$5,000 or more, if both the IPG company and the charitable organization are based in the United States, as more fully detailed in the <u>Donation</u> <u>Approval Request Form</u>.

**Note:** If the contribution was requested by a Government Official or the charity is connected to a Government Official, then any contribution -- in any amount -- requires preapproval of the IPG Legal Department. To seek approval of the Legal Department, please contact **LegalCompliance@interpublic.com** and provide all of the details requested in the **Donation Approval Request Form**.

#### 2. Providing Pro Bono Services

Providing free services (pro bono services) to a charity or not-for-profit organization is considered a charitable contribution and requires the prior approval of a Managing Director, Vice President or more senior executive who does not have any conflict of interest relating to the organization, and who has determined that the donation is otherwise consistent with this Policy.

Such services may never be provided to any Government Official, political candidate, political party, political cause or other prohibited organization as listed above. Such services will also require prior approval of IPG Legal if:

- the services have been requested or suggested by a Government Official; OR
- a Company employee (or family member) is on the Board of Directors or similar governing body of the recipient organization; OR
- 3. the value of the *pro bono* services exceeds \$100,000.

For convenience, please use the **Donation Approval Request Form**.

# 3. Donations Made on Behalf of Clients (Pass-Through Donations)

For some IPG companies, ordinary client services may include the processing of charitable donations on the client's behalf, as a pass-through expense. This may be established in the client contract or in an SOW.

However, in other cases, a client might request that we make a charitable contribution as a pass-through expense which is NOT part of our regular services under a client contract/SOW. This situation presents the risk that we may help someone who

is trying to bypass their own company's internal policies and procedures relating to charitable contributions. Perhaps the donation would be prohibited or rejected by their own company, or perhaps it would just take a long time to obtain internal approval. Accordingly, the client may want to use an IPG company to quickly process the payment.

Such pass-through donations require prior approval of IPG Legal if:

- it is outside the scope of the original client contract/SOW; AND
- 2. is more than \$50,000.

The request for approval should include evidence that the arrangement has been approved by reasonably senior management at the client, other than the client employee who made the original request.

For convenience, please use the **Donation Approval Request Form**.

# 4. Foundations/Other Methods of Providing Donations

An IPG company may not organize an independent "Foundation" or other separate entity that manages and distributes charitable donations, except upon prior approval of IPG Legal and IPG Controllers. Any such Foundation, if approved, must provide an annual summary of its activities to IPG Legal and Controllers.

IPG companies may not solicit or collect money from employees for the purpose of making charitable contributions in the name of the IPG company.

# **Employee Awareness**

IPG understands the importance of Policy awareness as it relates to ensuring a workplace that operates with integrity and transparency.

IPG will take appropriate corrective action in the event of any violation of this Policy.

# **Grievance Reporting**

IPG seeks to engage employees who share our values and philanthropic goals, and who uphold this commitment in the work they do for IPG.

If any of our stakeholders believe that IPG (or an IPG company or employee) is in violation of this Policy, they are strongly encouraged to immediately report the situation. IPG operates a confidential Alertline that allows anonymous reporting, and we have zero tolerance for retaliation against anyone who, in good faith, complains of or opposes unlawful violations or who participates in any investigation. All reports are investigated promptly and thoroughly.

For more details on IPG's grievance and reporting mechanisms and its Non-Retaliation Policy, see IPG's **Code of Conduct**.

### **Definitions**

For purposes of this policy, the following terms have the meanings set forth below.

#### "Government Official" means:

- any officer or employee of a government (national, regional or local) or a department, agency or instrumentality thereof;
- any officer or employee of a commercial business in which a government has substantial direct or indirect ownership and control (for example, a state-owned television network, energy company or bank);
- anyone acting in an official capacity for or on behalf of a government or government-owned entity;
- any officer or employee of a public international organization; and
- any political party or official thereof, elected or appointed official, candidate for political office or member of a royal family.

"Contribution" and "donation" include any contribution or donation of Company funds, facilities, services or other items of value to a charitable organization or other not-for-profit organization, including sponsorship of a charity event.